operation, reducing the administrative expenses and by better utilisation of men and machinery and introduction of better management practices and technology.

Contract for Kawas power project

*80. SHRI MURLIDHAR CHANDRAKANT BHANDARE:
SHRI A. G. KULKARNI:

Will the Minister of ENERGY be pleased to state:

(a) whether Government have decided not to award the turn-key contract for the Rs. 340 crores gas-based power project at Kawas (Gujarat) to M|s. Alsthom of France; and

(b) if so, what are the reasons therenegotiate the award of the contract to an negotiate the award of the conract to an alternative collaborator indicating the details of the possible alternatives?

THE MINISTER OF STATE IN THE DEPARTMENT OF POWER IN THE MINISTRY OF ENERGY (SHRI KALPNATH RAI): (a) and (b) M|s. Alsthom of France have not extended the period of validity of their offer for turnkey execution of the Kawas gas-based combined cycle power project of the National Thermal Power Corporation. Earlier, despite protracted discussion, agreement could not be reached with them on various terms and conditions of the contract. It is proposed by NTPC in consultation with the World Bank, to invite fresh bids from the parties who had originally submitted offers for turn-key execution of the project

Petrochemical complex at Visakhapatnam

487. SHRIMATI SUDHA VIJAY JOSHI: Will the Minister of INDUSTRY be pleased to state:

(a) whether Mitsui of Japan has offered to set up a Petrochemicals Complex at Visakhapatnam;

(b) if so, whether Government have made any selection of the Indian Partner in such a venture; and

(c) what is the financial outlay proposed and when the unit is likely to go on stream?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): (a) to (c) M|s. Mitsui of Japan has offered to assist M|s. Indian Petrochemicals Corporation Ltd. in the setting up of a petrochemical complex at Visakhapatnam. The Corportion have been asked to undertake preliminary negotiations with M|s. Mitsui.

It is too early to indicate the financial outlay for such a complex and the time frame by which this complex will go on steam.

Joint sector company for the manufacture of telephone instruments.

488. SHRI KAMAL MORARKA: Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether it is a fact that a joint sector company has been formed for the manufacture of telephone instruments, to be set up in Assam; and

(b) if so, what are the details regarding the production capacity envisaged, capital involved and the time of completion?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI GIRIDHAR GOMANGO): (a) and (b) Yes, Sir. It has been decided to set up a joint venture company between Indian Telephone Industries Limited, Bangalore and AMTRON, Assam. The capital cost and time of completion of the project are in the process of finalisation. The rated production capacity of the company is 1 lakh telephone instruments per annum.

Crude Oil production

489. SHRI SURESH KALMADI: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that India is slipping on the oil front with domestic crude production stagnant at about 30 million tonnes annually and dependent on